

RESOLUTION 25-01-52

RESOLUTION OF THE BOROUGH OF MATAWAN, COUNTY OF MONMOUTH, STATE OF NEW JERSEY, ADOPTING THE BOROUGH'S PRESENT NEED AND PROSPECTIVE NEED FOR THE FOURTH ROUND OF AFFORDABLE HOUSING OBLIGATIONS

WHEREAS, on March 20, 2024, Governor Murphy signed into law Bill A4/S50, codified as P.L. 2024, c.2, which amends the New Jersey Fair Housing Act, P.L. 1985, c.222 (N.J.S.A. 52:27D-301, et seq.) and other related housing laws (the "**Amended FHA**"); and

WHEREAS, pursuant to the Amended FHA, municipalities are required to determine the Present Need obligation (Rehabilitation) and Prospective Need obligation (New Construction) of their fair share of the regional need for affordable housing ("**Fair Share Obligation**") during the 10-year period beginning on July 1, 2025 (the "**Fourth Round**"); and

WHEREAS, pursuant to the Amended FHA, should a municipality determine its Fair Share Obligation by January 31, 2025, the municipality's determination shall be established by default and shall bear a presumption of validity beginning on March 1, 2025, unless challenged by an interested party on or before February 28, 2025; and

WHEREAS, pursuant to the Amended FHA, any challenge to a municipality's determination must be initiated through the Affordable Housing Alternative Dispute Resolution Program (the "**Program**"), explain with particularity how the municipality's calculation fails to comply with N.J.S.A. 52:27D-304.2 and 52:27D-304.3, and include the challenger's own calculation of the fair share obligations in compliance with said sections; and

WHEREAS, on October 18, 2024, the New Jersey Department of Community Affairs (the "**DCA**") published a report with an estimate of the fair share affordable housing obligations of all municipalities, which, pursuant to the Amended FHA, may be taken into consideration by a municipality but shall not be binding on a municipality when calculating a municipality's respective Fair Share Obligation; and

WHEREAS, the Borough of Matawan (the "**Borough**"), with the assistance of its professionals, has calculated its Fair Share Obligation for the Fourth Round based upon the methodology set forth in the Amended FHA, which included consideration of the DCA's calculations and analysis; and

WHEREAS, the Borough Council of the Borough of Matawan (the "**Borough Council**") has reviewed the findings of the Borough's professionals, which are described in the attached **Exhibit A**, and adopts a Fair Share Obligation for the Fourth Round consisting of a Present Need obligation of zero (0) units and a Prospective Need obligation of 68 credits/units; and

WHEREAS, in accordance with N.J.S.A. 52:27D-311(m) of the Amended FHA, the Borough reserves its right to take a vacant land adjustment, which may result in a reduction to the new construction portion of its Fair Share Obligation; and

WHEREAS, the Borough reserves its right to revise its Fair Share Obligation in the event that a decision of a court of competent jurisdiction, or an action by the New Jersey Legislature, would result in a lower calculation of an obligation for the Borough; and

WHEREAS, the Amended FHA requires municipalities to satisfy various administrative and procedural requirements in connection with the adoption of a municipality's Fair Share Obligation, including but not limited to the publication of this Resolution to the Borough's publicly accessible Internet website and the filing of an action with the Program through the Judiciary's electronic filing systems, within forty-eight (48) hours of the adoption of this Resolution; and

WHEREAS, the Borough Council directs the Borough Clerk to satisfy all required notice and publications requirements, and authorizes the Borough and its professionals to take all actions required to file the necessary action with the Program.

NOW, THEREFORE, BE IT RESOLVED by the Borough Council of the Borough of Matawan that the:

1. The foregoing recitals are hereby incorporated by reference as if fully set forth herein.
2. The Borough of Matawan's Fair Share Obligation for the Fourth Round of affordable housing obligations consists of a Present Need obligation of zero (0) units and a Prospective Need obligation of 68 credits/units.
3. The Borough reserves its right to take a vacant land adjustment, which may result in a reduction to the new construction portion of its Fair Share Obligation.
4. The Borough reserves its right to revise its Fair Share Obligation in the event that a decision of a court of competent jurisdiction, or an action by the New Jersey Legislature, would result in a lower calculation of an obligation for the Borough.
5. The Municipal Clerk is directed to forward a copy of this Resolution to the Department of Community Affairs and to publish a copy to the Borough's publicly accessible Internet website within forty-eight (48) hours of the adoption of this Resolution.
6. The Borough's legal counsel is hereby directed to file an action with the Affordable Housing Alternative Dispute Resolution Program regarding this Resolution in compliance with the Amended FHA, and the Mayor and Borough Clerk are authorized to execute any and all documents required for said purpose.
7. This Resolution shall take effect immediately.

SO RESOLVED, as aforesaid.

CERTIFICATION OF RESOLUTION

I, Karen Wynne, Municipal Clerk of the Borough of Matawan, County of Monmouth, State of New Jersey, do hereby certify the foregoing to be a true and correct copy of a Resolution adopted by the Council of the Borough of Matawan on January 21, 2025.

IN WITNESS WHEREOF, I have hereunder set my hand and official seal of the Borough of Matawan this 21st day of January, 2025.


Karen Wynne, RMC
Municipal Clerk



*Via email***MEMORANDUM**

To: Christopher Zingaro, Esq.
Ron Gordon, Esq.
Jonathan Cohen, Esq.

From: Caroline Reiter, P.P., A.I.C.P., Matawan Affordable Housing Planner
Robert Dare, P.P., A.I.C.P., M.C.I.P.

Date: January 17, 2025

Re: Round 4 Affordable Housing Obligation

As requested, we are providing additional information on the Borough of Matawan's Round 4 affordable housing obligation.

Regional Obligation and Allocation Factors

New Jersey affordable housing obligations are calculated on a regional level and then filtered down to the municipal level. There are six affordable housing regions in the state; the regions each include three or four counties. Region 4, in which Matawan is located, includes Mercer, Monmouth, and Ocean counties.

The calculated affordable housing obligation, which is referred to as the prospective need obligation, for Region 4 is **13,822 units**. The New Jersey Fair Housing Act (FHA) Amendment that was the subject of the March 2025 affordable housing legislation known as P.L.2024, c.2., details how the Department of Community Affairs (DCA) shall calculate the regional obligation, and how that number is filtered into individual municipal affordable housing obligations.

The Fair Housing Act directs the DCA to allocate the regional need to each municipality in the region through the three allocation factors: Equalized Nonresidential Valuation factor, Income Capacity factor, and Land Capacity factor. After calculating each allocation factor, they are then averaged, and that average is applied to the regional prospective need to calculate a municipality's affordable housing obligation.

DCA calculated the following allocation factors for Matawan:

- **Equalized Nonresidential Valuation factor of 0.41%;**
- **Income Capacity factor of 0.99%; and**
- **Land Capacity factor of 0.13%.**

The above three factors are then averaged to an Average Allocation factor of 0.51%, which, when applied to Region 4's total prospective need of 13,822 units, results in DCA's calculated affordable housing for Matawan of 70 units.

A brief description of each of the three factors, and their applicability to Matawan, follows.

Equalized Nonresidential Valuation: This is the municipal share of regional nonresidential valuation change from 1999-2023, based on data published by DCA's Division of Local Government Services. Matawan's Tax Assessor has confirmed the data that DCA used to calculate Matawan's Equalized Nonresidential Valuation factor of 0.41%.

Income Capacity: This is census data. T&M has confirmed that the data used to calculate Matawan's Income Capacity of 0.99% is correct.

Land Capacity Factor: This is developable land, primarily taken from NJDEP mapping. DCA estimates approximately 14.67 acres of land that results in Matawan's Land Capacity of 0.13%.

The DCA identified about 14.67 acres of Vacant Land Capacity in Matawan. T&M conducted a thorough review of this acreage and determined that several areas represented no realistic potential for future development and should, therefore, be removed from the inventory of Vacant Land Capacity. After removal of such areas, the Borough's adjusted Vacant Land Capacity totals approximately 7.09 acres. Attachment 1, which includes a list of parcels with Vacant Land Capacity identified by the DCA, summarizes the results of T&M's review.

Reduction of the Vacant Land Capacity to 7.09 acres reduces the Land Capacity Factor to 0.06%, thereby resulting in the following allocation factors for Matawan:

- **Equalized Nonresidential Valuation factor of 0.41%;**
- **Income Capacity factor of 0.99%; and**
- **Land Capacity factor of 0.06%.**

The above three factors are then averaged to an Average Allocation factor of 0.49% which, when applied to Region 4's total prospective need of 13,822 units, results in an alternate affordable housing for Matawan of 68 units.

Lots, or portions thereof, were removed from the inventory of Vacant Land Capacity for a variety of reasons, including:

- Presence of existing development as indicated by recent aerial imagery from 2020 and/or 2024;
- Extreme narrowness of Vacant Land Capacity areas, which renders development unfeasible or unrealistic;
- Inclusion of properties containing Vacant Land Capacity on the current Recreation and Open Space Inventory (ROSI);

- Presence of small areas of Vacant Land Capacity in yard areas of properties with an active use; and
- Presence of Vacant Land Capacity within landlocked properties.

Adoption of Binding Resolution

Matawan's Mayor and Council is tasked with adopting a binding resolution stipulating the Borough's affordable housing obligation. The FHA requires that this resolution be adopted no later than January 31, 2025. Failure to adopt the resolution can result in the Borough losing protection from exclusionary zoning litigation, i.e. builders' remedy lawsuits.

In its binding resolution, the Borough can either accept DCA's calculated obligation of 70 units or adopt a calculation of 68 units, which reflects the removal of properties from the inventory of Vacant Land Capacity, as described above.

Next Steps

Once the Borough has adopted a binding resolution stipulating its affordable housing obligation, the Affordable Housing Attorney will file the resolution with the Program and file an Action of Declaratory Judgment (DJ Action). The FHA Amendment includes a "challenge" available. Interested parties can challenge a municipality's Round 4 affordable obligation through February 28, 2025. All challenges are to be resolved by March 31, 2025.

In February, we will continue to work with the Borough in the development of Matawan's Housing Element and Fair Share Plan, which the Planning Board must adopt at a public hearing with required notice no later than June 30, 2025. This process may include calculation of a Vacant Land Adjustment, with an associated Realistic Development Potential (RDP) and Unmet Need. The Housing Element and Fair Share Plan will list the Borough's completed, planned and proposed affordable housing mechanisms to meet Matawan's Prior Round, Round 3, and Round 4 affordable housing obligations.

Please let us know if there are further questions on Matawan's Round 4 affordable housing obligation and the required timeline.



YOUR GOALS. OUR MISSION.

ATTACHMENT 1: PARCELS WITH VACANT LAND CAPACITY PER NJDCA

Block	Lot	T&M Review	
		Recommended for Removal	Reason
2	7	YES	THIRD ROUND SITE
17	11	—	
18	5	—	
18	6	—	
24	13	—	
61	5	YES	ROSI
61	6	—	
61	6.01	—	
61	6.03	YES	RAILWAY RIGHT-OF-WAY
62	1	YES	NARROW CONFIGURATION OF VLC
62.02	1	YES	NARROW CONFIGURATION OF VLC
64.02	2.01	—	
64.02	2.02	YES	RAILWAY RIGHT-OF-WAY
65	5	YES	LANDLOCKED
65	6	YES	NARROW CONFIGURATION OF VLC
65.06	34	YES	LANDLOCKED
71	29	—	
71	30	—	
71	31	—	
71	32	—	
71	33	—	
96	1.03	YES	NARROW CONFIGURATION OF VLC
97	3	—	
120	5.01	YES	DEVELOPED SITE
121	4	—	
121	5	—	
121	29.01	YES	DEVELOPED SITE
121	31	YES	DEVELOPED SITE
121	37	YES	DEVELOPED SITE
121	39	YES	LANDLOCKED